GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:479
ANSWERED ON:26.07.2000
LIBERALISATION AND GLOBALISATION
ANANTRAO GUDHE;CHANDRA BHUSHAN SINGH

Will the Minister of AGRICULTURE be pleased to state:

(a) whether due to liberalisation and World Trade Organisation (WTO), the Indianfarmers are not able to recover the cost of their agriculture produce on account of large scale import of farm products;

(b) if so, whether the Government are considering to make use of provisions of tariff restrictions on import of agriculture produces;

(c) whether any representations has been received;

(d) if so, the details thereof and action taken proposed to be taken thereon; and

(e) if not,the other measures being taken to safeguard the interest of Indian farmers?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI SBPBK SATYANARAYANA RAO)

(a) & (b) In order to protect the interest of the farmers, the Government has beenimplementing a Scheme of Minimum Support Prices (MSPs) for major agriculturalcrops such as paddy, wheat, coarse cereals, oilseeds, pulses, etc. The MSPs fixedby the Government not only cover the cost of production but also a reasonable margin of profit as an incentive to the farmers. The Government has also been using import tariff as an instrument to discourage imports wherever necessary and to protect the domestic farmers.

(c), to (e) Representations have been received from growers/organisations representing growers of cotton, coconut, rubber, tea, coffee, sugarcane, edible oils and arecanut regarding reimposition of import restrictions/enhancement of tariffs on these items. Taking into account, inter alia, such representations and other relevant factors, the Government has, recently, increased the basic import tariffs on a number of agricultural items as under:

i) Rice 70-80%
ii) Maize 50%(upto 3.5 lakh tonnes at 15%)
iii) Grain Sorghum 50%
iv) Millet (Jowar) 50%
v) Arecanut 100%
vi) Apples 50%
vii) Tea 35%
viii) Coffee 35%
ix) Rubber 35%
x) Sugar 60%(in addition to a countervailing duty of Rs. 850 per tonne).
xi) Edible Oils

a) Edible grade crude vegetable oils(excluding coconutoil, palm oil and its fractions whether refined or not) imported in loose or bulk form for the manufacture of vanaspati or for refining. 25%

b) Olive oil other than virgin whether or not refined. 40%

c) Refined vegetable oils (other than coconut oil,RBD palm oil, RBD palm kernel oil and palm stearin)of edible grade in loose or bulk form. 35%

d) All other edible oils whether refined or not (including coconut oil and refined palm oil). 45%

Besides, Government has been implementing several programmes for enhancing the productivity and competitiveness of Indian farmers.